

INFORMATION LETTER

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NATIONAL CANNERS ASSOCIATION

For Members
Only

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CONCESSIONS CONTAINED IN BRITISH AND CANADIAN TRADE PACTS ANNOUNCED

Various Canned Foods Included in Agreement Which Becomes Effective January 1, 1939

Reciprocal trade agreements with the United Kingdom of Great Britain and Northern Ireland and with Canada were signed November 17, and will go into effect January 1, 1939, for an initial period of three years. The agreements may continue in force indefinitely thereafter, subject to termination by any of the governments concerned on six months' notice.

The agreements may be terminated on short notice in cases of a wide variation in the exchange rates between the currencies of the two countries which substantially prejudices the industries or commerce of either.

Under the "most-favored nation" practice of both the United Kingdom and the United States, most countries will benefit directly from the concessions provided in the agreement between the two countries. All tariff concessions granted by the United States to any of the 19 countries with which treaties have been concluded, are given to all other countries, except Germany inasmuch as that country discriminates against American trade.

The British agreement applies not only to the United Kingdom of Great Britain and Northern Ireland, but also to Newfoundland and with the non-self-governing British colonies. It does not apply to Australia, Canada, New Zealand, the Union of South Africa, Eire, India, Burma, or Southern Rhodesia.

However, these self-governed colonies are large exporters of certain commodities on which the present tariff status in the United States is bound against unfavorable change, and they will, of course, benefit from all tariff concessions made by the United States to "most-favored nations."

The following statements derived from supplements to the agreements as released by the State Department furnish information with respect to canned food items included in the agreements. There are shown (1) concessions by the United Kingdom on imports from the United States; (2) concessions by the United States on imports from the United Kingdom; (3) concessions by the United Kingdom relating to imports from the United States into Newfoundland and the non-self-governing British colonies; (4) concessions by Canada on imports from the United States; (5) concessions by the United States on imports from Canada.

Concessions by United Kingdom

Pigs' tongues in airtight containers.—The duty on this product, which is 10 per cent ad valorem on imports from non-Empire sources, is bound against increase during the life of the agreement.

Peaches, canned.—The existing duty on this product is bound against increase. American canned peaches have been dutiable since November, 1932, at 15 per cent ad valorem plus the duty with respect to sugar content, while the Empire product has been free of the 15 per cent duty and also has the advantage of a preferential duty in regard to the sugar content. The aggregate duty on American canned peaches is approximately 20 per cent ad valorem.

Pears, canned.—Under the agreement, the duty on American canned pears is bound against increase. Canned pears of non-Empire origin have been dutiable since November, 1932 at 15 per cent ad valorem plus the duty with respect to sugar content, which together are usually equivalent to approximately 20 per cent ad valorem.

Apricots, canned.—Canned apricots of non-Empire origin have been dutiable at the same rate as canned peaches and

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FOOD REGULATIONS HEARING

Association to Submit Statement Recommending Changes in Regulations

The Association was represented at the hearing held on Thursday and Friday to consider regulations to be promulgated under the Food, Drug and Cosmetic Act of 1938. A statement was presented by the Association in which request was made for opportunity to file a detailed statement of certain proposals and recommendations with respect to the regulations.

The Association's statement will deal principally with two regulations which appear to be of chief importance from the standpoint of the canning industry. The regulation pertaining to the statement of required information on the label panel under Section 403 (f) will be the subject of detailed recommendations which will seek an interpretation that will not too closely restrict label space in which required information may be given.

Recommendations will be made with regard to the regulation under Section 405, which refers to interstate shipment of unlabeled goods for processing or labeling. These recommendations will have the objective of making less burdensome to the canner the preliminary negotiations between buyer and seller concerning the details of handling the goods after interstate shipment. This regulation requires an agreement between buyer and seller to insure that after processing or labeling, the product shall not be misbranded or adulterated within the meaning of the Act.

Suggestions will be made with a view to facilitating and simplifying the application of the regulation concerning sampling and the regulation as to the listing of ingredients where this is necessary. Suggestions will also be made to cover the designation of the canner's place of business. Incidental statements will be filed with reference to other regulations of minor significance to the industry.

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pears; that is, 15 per cent ad valorem plus the sugar duty. Under the agreement, the existing ad valorem duty is bound against increase.

Fruit salad, canned.—The British concession changes the existing ad valorem duty on canned fruit salad from non-Empire sources to a specific duty of 5s. 6d., equivalent to 11.5 per cent ad valorem on the basis of the average import unit value for 1936 of the American product. Non-Empire canned fruit salad has been dutiable, since November, 1932, at 15 per cent ad valorem plus the duty on sugar content, with imports from the Empire remaining duty-free (except the sugar duty).

Grapefruit, canned.—The British concession abolishes the duty on American canned grapefruit. Canned grapefruit of non-Empire origin has been dutiable at 15 per cent ad valorem, plus the sugar duty, since November, 1932.

Pineapple, canned.—Canned pineapple of non-Empire origin has been dutiable since November, 1932, at 15 per cent ad valorem, plus the duty in respect of sugar content. The British concession in favor of the American product changes the 15 per cent rate to a specific duty of 5s. per hundred weight, equivalent to about 13 per cent ad valorem on the basis of 1936 imports into the United Kingdom of American-canned pineapple.

Loganberries, canned.—Canned loganberries of non-Empire origin have been dutiable since November, 1932, at 15 per cent ad valorem, plus the duty on sugar content. The British concession changes the 15 per cent ad valorem duty to a specific duty of 4s. per hundred weight, equivalent to 9.5 per cent ad valorem on the basis of United Kingdom imports of canned berries from the United States in 1936. The concession, therefore, represents a reduction of the duty by somewhat more than one-third.

Apples, canned, in sugar or sirup.—Apples canned in sugar or sirup of non-Empire origin have been dutiable since November, 1932, at 3s. 6d. per hundredweight, which is equivalent to about 15 per cent ad valorem on the basis of the 1936 imports from the United States. In addition, this product is subject to the sugar duty. The British concession reduces the 3s. 6d. rate to 2s. 3d., which is equivalent to nearly 10 per cent ad valorem on basis of 1936 imports, or a reduction by more than one-third of the pre-agreement rate.

Apples, canned, without sugar or sirup.—Canned apples, preserved without sugar or sirup, from non-Empire sources, have been dutiable, since March, 1932, at 25 per cent ad valorem. The British concession on this item is a change in the 25 per cent rate to a specific rate of 3s. 6d. per hundredweight, which is equivalent to approximately 17 per cent ad valorem.

Cherries (stoned), canned.—Non-Empire canned cherries, stoned, have been dutiable, since November, 1932, at 25 per cent ad valorem (15 per cent in the case of canned cherries, not stoned) plus the duty on sugar content, if any, while those of Empire origin have been subject only to a preferential duty on the sugar content. The British concession on American canned cherries, stoned, is a reduction in the 25 per cent rate to one of 15 per cent.

Grapefruit juice and orange juice, canned.—The British duty on canned grapefruit and orange juices is removed by the agreement. Since July, 1935, grapefruit juice and orange juice of non-Empire origin have been dutiable at 15 per cent ad valorem (10 per cent between March, 1932 and June, 1935) plus the duty on sugar content, if any.

Pineapple juice and prune juice, canned.—The British concession binds the duty on these products against increase.

Canned pineapple juice and prune juice of non-Empire origin have been dutiable, since March, 1932, at 10 per cent ad valorem, plus the duty on sugar content, if any.

Grapefruit, preserved without sugar.—The British import duty on non-Empire grapefruit preserved without sugar (including grapefruit pulp) is 15 per cent ad valorem. Under the agreement, this duty is removed.

Ripe olives, canned.—The British import duty on ripe olives in small containers (not in bulk) is 25 per cent ad valorem. Under the agreement the 25 per cent rate is reduced to 15 per cent on ripe black olives, in brine, imported in a container when the gross weight (including the weight of the container) does not exceed 112 pounds.

Vegetables, canned: Asparagus, corn, and beans.—The British import duty on non-Empire canned asparagus, corn, and beans is 20 per cent ad valorem while imports of Empire origin are duty-free. Under the agreement the 20 per cent rate is reduced to 10 per cent on canned asparagus and canned sweet corn (including corn on cob), while the 20 per cent rate on canned beans is bound against increase.

Tomato juice, canned.—American and other non-Empire canned tomato juice has been dutiable at 10 per cent ad valorem since March, 1932, while the Empire product has remained duty free. Under the agreement this rate is bound against increase.

Canned salmon.—The duty on canned salmon is 10 per cent ad valorem, and this rate is bound against increase under the agreement.

Canned pilchards (sardines).—The duty is reduced from 10s. (approximately \$2.50) per hundredweight (112 pounds), equivalent to 32.8 per cent ad valorem on imports from the United States in 1936, to 7s. 6d. (approximately \$1.87) per hundredweight, equivalent to 24.6 per cent ad valorem on the same basis.

Canned shell fish (shrimp and oysters).—The existing duty of 10 per cent ad valorem on canned shrimp (prawns) is bound against increase. The duty on canned oysters is reduced from 30 per cent to 15 per cent ad valorem.

Concessions by United States on imports from United Kingdom

Canned herring, smoked or kippered, or in tomato sauce (par. 718 (b)).—The duty is reduced from 25 per cent to 15 per cent ad valorem on smoked or kippered herring or herring in tomato sauce (not in oil), packed in airtight containers weighing with contents more than 1 pound but not more than 15 pounds each.

Canned pineapple (par. 747).—The duty is reduced from 2 cents per pound to 1½ cents per pound.

Jellies, jams, marmalades, and fruit butters (par. 751).—The duty is reduced from 35 per cent to 20 per cent ad valorem.

Concessions on Imports from United States into British Colonies

Concessions made to the United States by the United Kingdom on canned items, applicable only to Newfoundland and the enumerated non-self-governing British colonies, include:

Newfoundland: Milk, preserved, sterilized or condensed is placed on the free list. The old rate of duty was 2½ cents per pound.

Bahamas: British preferential reduced 3½ per cent on jams, jellies and preserved fruits and on canned vegetables. The present margin of preference is bound on canned fish and unsweetened milk.

Barbados: The present margin of preference is bound on canned and bottled fruits and canned vegetables.

Bermuda: British preferential reduced $1\frac{1}{4}$ per cent on canned fish. The present margin of preference is bound on canned vegetables, canned or bottled fruits, jams and jellies, and canned or bottled meats.

British Guiana: The present British margin of preference is bound on canned fish and canned or preserved fruits (except pineapple).

British Honduras: British preferential reduced 5 per cent on canned or bottled fruits and canned vegetables. The present margin of preference is bound on pickles, sauces, and condiments.

Ceylon: British preferential reduced 5 per cent on fruits, dried or otherwise preserved without sugar (except currants, dates and raisins).

Cyprus: British preferential reduced 3 per cent on canned fruits.

Fiji: British preferential reduced 10 per cent on preserved fruits and vegetables.

Gambia (Colony and Protectorate): British preferential reduced 3s. per 100 pounds on canned or preserved fish.

Gold Coast (Colony and Protectorate): British preferential bound on canned or preserved fish; canned and bottled fruits; jams, jellies, and preserved fruits; pickles, sauces, and condiments; and dried, canned, or preserved vegetables.

Jamaica: British preferential bound on canned fish, jams, jellies, and preserved fruits.

Leeward Islands: British preferential bound on canned and bottled fruits, meats, and vegetables.

Malaya: British preferential reduced $7\frac{1}{2}$ per cent in Federated Malay States on canned red, sock-eye, or blue back and silver salmon and bound on fruit juices and evaporated milk.

Preferential reduced $7\frac{1}{2}$ per cent in Johore on canned red, sock-eye, or blue back and silver salmon and bound on fruit juices and evaporated milk.

Preferential bound in Kedah on evaporated milk; canned red, sock-eye, or blue back and silver salmon; and fruit juices.

Preferential reduced $7\frac{1}{2}$ per cent in Kelantan on canned red, sock-eye, or blue back and silver salmon and bound on fruit juices and evaporated milk.

Preferential reduced $7\frac{1}{2}$ per cent in Trengganu on canned red, sock-eye, or blue back and silver salmon and bound on fruit juices and evaporated milk.

Preferential reduced $7\frac{1}{2}$ per cent in Perlis on canned red, sock-eye, or blue back and silver salmon and bound on fruit juices and evaporated milk.

Malta: British preferential reduced 5 per cent on preserved fruits.

Mauritius: British preferential reduced 15 cents per kilo on preserved fruits (not in sugar).

Nigeria (Colony and Protectorate): British preferential bound on jams, jellies, and fruits canned or bottled, and on vegetables (except fresh).

Northern Rhodesia: British preferential reduced 6d. per 100 pounds on milk, condensed full cream and bound on meats (except bacon and ham and fresh meats).

Sierra Leone: British preferential reduced 3s. $1\frac{1}{2}$ d. per 100 pounds on canned or preserved fish and canned or bottled fruits, and 2s. per 36 pounds on condensed milk.

Trinidad and Tobago: British preferential reduced 37 cents per 100 pounds on canned pilchards, and bound on fruits

canned or bottled in syrup and on unfermented fruit juices, not containing added spirit and not liable to duty as table water (except lime juice).

Windward Islands: British preferential bound on canned and bottled fruits in Grenada and St. Lucia.

Concessions by Canada on Imports from United States

The new trade agreement with Canada is the second with that country, and "covers a still broader field and effects still greater duty reductions," according to the Department of State. The agreement covers specifically mentioned reductions; provision that all United States goods shall enjoy the lowest tariff rates now or hereafter paid by any non-British country; "binding" of rates named on numerous items and of present rates on others; removal of 3-per cent special import tax on all the items specifically listed in the agreement schedule, including items free of regular duties; relief with respect to the Canadian system of arbitrary valuations, which had been added to the charges on imports under the name of a "dumping" duty; exemption of duty up to the amount of \$100 on purchases made by Canadian residents returning from the United States; and advantages to commercial travelers passing in transit.

Canadian concessions in the new agreement affected 83 items deriving from animals, agricultural products, fish and provisions. Tariff rates of 16 of the same group of items were bound under the agreement at the same charge, and rates of 8 items in the same classification were bound free.

Before 1936, American goods had been subject to the highest, or "general" Canadian tariff rates. Canada has also a lower intermediate tariff, to which most non-British countries are entitled, and a still lower British preferential tariff. Moreover, Canada, before 1936, had already made special rates in agreements with a number of non-British countries which were lower than the intermediate rates. The most-favored-nation provision of the 1936 agreement gave the United States the benefit of all intermediate rates and of any lower rates made by these agreements with non-British third countries. The provision, which is repeated in the new agreement, will also assure to American goods any future reductions in rates by Canada, other than British preferential rates.

Below are canned foods and closely related items listed in Schedule I of the trade agreement, which contains concessions offered by Canada on imports from the United States. The "present" rate of duty on imports as referred to is the rate in effect in November, 1938.

Canned vegetables.—Rate of duty on beans, baked or otherwise prepared, corn, and peas, has been reduced from 2 cents per pound to $1\frac{1}{2}$ cents per pound. Canned vegetables not otherwise provided for will pay a tariff rate of 20 per cent ad valorem, as compared with $27\frac{1}{2}$ per cent present rate.

Vegetables, prepared or preserved.—Under this item are included vegetable juices and sauces, on which the new rate is $27\frac{1}{2}$ per cent ad valorem, a reduction from $32\frac{1}{2}$ per cent ad valorem.

Olives, ripe, in brine.—New rate of duty on ripe olives is 10 per cent ad valorem, which amounts to a reduction on some imports inasmuch as the present rate ranges from 10 to $32\frac{1}{2}$ per cent ad valorem.

Fruits, canned.—The new rate on imports of canned peaches is 3½ cents per pound, a reduction of one-half cent per pound. New tariff rate on canned apricots, pears, pineapples, and canned fruits not otherwise provided for in the Canadian tariff, will be 3 cents per pound; the present rate is 4 cents per pound.

Mackerel and other fish, fresh, salted, pickled, etc.—Rate reduced from three-fourths cent per pound to one-half cent per pound.

Shrimps in sealed containers.—New rate is 15 per cent ad valorem, a reduction from 27½ per cent.

Fruit juices, not otherwise provided for, not including lime, orange, lemon, or passion fruit juices.—New rate is 15 per cent ad valorem, compared with 25 per cent.

Concessions by United States on Imports from Canada

In general, the concessions made by the United States to Canada include reductions in duties limited by quota provisions; reductions in duties not limited by quota provisions, bindings of certain existing duties against increase, and bindings of existing free entry of certain imports.

The following are canned foods and closely related items listed in Schedule II of the trade agreement, on which the United States offered concessions on imports from Canada, with new rates of duty and duties in effect November, 1938, compared:

Razor clams, canned.—Rate remains at 15 per cent, ad valorem equivalent, as set under first agreement.

Lobsters, fresh, frozen, or canned, not specially provided for (spiny lobsters excluded in new agreement).—Bound on free list in new agreement as in first agreement.

Blueberries, prepared or preserved, or frozen, not in brine and not dried, desiccated, or evaporated, not specially provided for.—Rate reduced to 17½ per cent ad valorem equivalent, from 25 per cent.

Berries, edible, frozen, not specially provided for.—Same as blueberries.

Texas Freeze Lowers Tomato and Bean Harvest

As a result of freezing weather in Texas during the period November 7 to 9, production of tomatoes in the fall States of Florida and Texas is indicated to be 297,000 bushels, a decrease of 84,000 bushels from the quantity indicated as of November 1, the Bureau of Agricultural Economics announced November 14. At the same time, the Bureau stated that the production of green and wax beans in these two States for harvest this fall now is indicated at 2,280,000 bushels, a decrease of 15,000 bushels from the quantity indicated as of November 1. Two-thirds of the green and wax bean acreage in Texas was not in the area affected by the freeze, and some of the crop had been harvested before the freeze.

The estimated production of tomatoes for fall harvest in Texas of 147,000 bushels includes that part of the crop already harvested and the acreage remaining to be harvested after the freeze. Losses from the cold wave are about equal to those of a year ago.

Freeze Damages California Crops

Citrus fruit injury by the freeze of November 11 to 14 in California is reported by the Bureau of Agricultural Economics to be "indefinite, but probably not extensive, as low

temperatures were not prolonged and growers had ample warning to use heaters where needed." However, the Bureau statement said that "the extent of citrus injury will not be known for some days."

The Bureau said that the frost wiped out tomatoes, peppers, cucumbers, and beans remaining in the fields, but the bulk of these crops had been harvested and the loss is not important. "Fall peas in the San Joaquin Valley were only 65 per cent harvested, and frosts probably terminated this crop. The pods and bloom of Imperial Valley peas were injured, but there was no material vine damage. If weather moderates, movement of this crop will be delayed only two or three weeks."

Cuba Imports More American Canned Milk

Because of shortage in Cuban milk supply, due to drought early this year, Cuba has been obliged to import heavy quantities of canned milk from the United States, according to the American commercial attache at Habana. Imports of condensed and evaporated milk from the United States into Cuba during the first 8 months of 1938 totaled 3,257,160 pounds, compared with 102,652 pounds in calendar year of 1936, and 154,095 pounds in 1937.

PRODUCTION INDICATIONS

Bureau of Agricultural Economics Reports on Green Beans for Manufacture

Reports issued by the Bureau of Agricultural Economics November 9 and 10 indicate that the 1938 production of green and wax beans for manufacture will be 119,200 tons, and the 1938 production of green lima beans for manufacture will be 26,860 tons.

The production of green and wax beans for manufacture exceeds the previous record production of 105,300 tons for 1937 by 13 per cent. The 1938 preliminary estimated production of green lima beans for manufacture, exceeds the 1937 production of 22,840 tons by 18 per cent. This includes some quantities used for freezing.

In the following tables are given the harvested acreage figures and indicated production figures by States for these two crops:

| State | Green Lima Beans | | | |
|--------------------|------------------|--------|------------|--------|
| | Harvested | | Production | |
| | 1937 | 1938 | 1937 | 1938 |
| | Acre | Acre | Tons | Tons |
| New Jersey..... | 10,200 | 13,000 | 5,760 | 7,080 |
| Delaware..... | 10,100 | 10,800 | 5,810 | 5,620 |
| Maryland..... | 3,100 | 3,400 | 1,430 | 1,550 |
| Virginia..... | 6,000 | 5,600 | 3,300 | 2,800 |
| Michigan..... | 3,300 | 4,200 | 1,570 | 3,130 |
| Wisconsin..... | 1,900 | 1,900 | 770 | 1,300 |
| Other States*..... | 8,300 | 10,490 | 4,200 | 5,380 |
| Total..... | 42,900 | 49,390 | 22,840 | 26,860 |

* "Other States" include: Colorado, Georgia, Illinois, Indiana, Louisiana, Minnesota, New York, Ohio, Oregon, Pennsylvania, South Carolina, Tennessee, Utah and Washington.

Green and Wax Beans

| State | Harvested | | Production | |
|---------------------|---------------|---------------|--------------|--------------|
| | 1937 Acres | 1938 Acres | 1937 Tons | 1938 Tons |
| Maine..... | 1,460 | 1,700 | 3,800 | 4,800 |
| New York..... | 8,100 | 8,700 | 13,000 | 14,800 |
| Pennsylvania..... | 2,200 | 2,600 | 3,700 | 3,900 |
| Indiana..... | 1,200 | 1,000 | 1,800 | 1,400 |
| Michigan..... | 6,300 | 6,700 | 8,200 | 8,700 |
| Wisconsin..... | 7,300 | 8,700 | 9,500 | 12,200 |
| Delaware..... | 1,000 | 1,100 | 1,700 | 1,400 |
| Maryland..... | 10,100 | 10,900 | 16,200 | 18,500 |
| South Carolina..... | 400 | 300 | 400 | 300 |
| Tennessee..... | 2,250 | 1,700 | 3,600 | 2,200 |
| Mississippi..... | 2,150 | 2,100 | 1,500 | 1,700 |
| Arkansas..... | 2,350 | 3,000 | 2,600 | 3,600 |
| Louisiana..... | 1,750 | 1,800 | 1,600 | 2,000 |
| Colorado..... | 1,050 | 1,150 | 3,500 | 2,600 |
| Utah..... | 1,050 | 1,000 | 3,400 | 3,700 |
| Washington..... | 900 | 1,060 | 3,800 | 4,900 |
| Oregon..... | 1,710 | 2,240 | 10,800 | 13,700 |
| California..... | 1,480 | 1,400 | 6,500 | 6,300 |
| Other States*..... | 10,370 | 10,960 | 9,700 | 12,500 |
| Total..... | 63,120 | 68,110 | 105,300 | 119,200 |

* "Other States" include: Alabama, Florida, Georgia, Idaho, Illinois, Iowa, Kentucky, Missouri, Montana, Nebraska, New Hampshire, New Jersey, North Carolina, Ohio, Oklahoma, Texas, Vermont, Virginia, and Wyoming.

Decrease Announced in Price of Tin Plate

Change in price of U.S.S. coke tin plate to \$5 per base box, Pittsburgh or Gary, was announced November 10 by the Carnegie-Illinois Steel Corporation. The former price was \$5.35 per base box. The new price became effective immediately, and applies on shipments over the balance of 1938 and the first 3 months of 1939. Transportation charges at time of shipment will determine the delivered prices during this period. Any changes on other tin mill products will follow at some late date.

Department Store Sales in October

Department store sales showed less than the usual seasonal rise from September to October, the preliminary report of the Federal Reserve Board shows. This was attributed partly to the exceptionally warm weather for this time of year. Total sales in October, and also in the first 10 months of the year, were 10 per cent less than in the corresponding periods of 1937.

Fluorine Tolerance Set

Secretary Wallace of the U. S. Department of Agriculture on November 14 advised growers and shippers of apples and pears that the tolerance for fluorine is set at 0.02 grain per pound, effective immediately. This announcement applies to fruit shipped within the jurisdiction of the Federal Food and Drugs Act.

Fruits and Vegetables in Cold Storage

The apparent out-of-storage movement of quick-frozen and cold-packed fruits during October amounted to 3,980,000 pounds, according to the Bureau of Agricultural Economics. Of the 29,465,000 pounds of quick-freeze fruits in storage, 1,312,000 were unclassified; and of the 114,136,000 pounds of "cold pack" 29,466,000 pounds were not classified.

Little change occurred in the amount of frozen vegetables in storage. The total was 71,288,000 pounds compared with 71,252,000 for October 1 and 27,902,000 pounds on hand November 1, 1937. The quantity of unclassified vegetables reported was 9,868,000 pounds.

| Commodity | Oct. 1, 1938 Thousand pounds | Nov. 1, 1938 Thousand pounds |
|--|------------------------------------|------------------------------------|
| | | |
| Fruits, quick freeze processed: | | |
| Blackberries..... | 954 | 663 |
| Blueberries..... | 988 | 1,087 |
| Cherries..... | 3,708 | 3,740 |
| Logan and similar berries..... | 994 | 1,007 |
| Raspberries..... | 3,327 | 3,114 |
| Strawberries..... | 13,094 | 12,294 |
| Other fruits..... | 5,776 | 6,248 |
| Classification not reported..... | 1,445 | 1,312 |
| Total..... | 30,286 | 29,465 |
| Fruits, cold packed and preserved: | | |
| Blackberries..... | 4,612 | 4,329 |
| Blueberries..... | 4,553 | 4,534 |
| Cherries..... | 21,933 | 20,069 |
| Logan and similar berries..... | 2,815 | 2,605 |
| Raspberries..... | 9,412 | 8,972 |
| Strawberries..... | 29,865 | 27,500 |
| Other fruits..... | 12,970 | 16,661 |
| Classification not reported..... | 31,135 | 29,466 |
| Total..... | 117,295 | 114,136 |
| Vegetables, quick freeze processed: | | |
| Asparagus..... | 4,171 | 4,034 |
| Beans, lima..... | 14,875 | 14,400 |
| Beans, snap..... | 5,751 | 5,661 |
| Broccoli, green..... | 797 | 906 |
| Corn, sweet..... | 7,009 | 6,750 |
| Peas, green..... | 27,178 | 24,115 |
| Spinach..... | 1,898 | 2,678 |
| Other vegetables..... | 1,723 | 2,876 |
| Classification not reported..... | 7,850 | 9,868 |
| Total..... | 71,252 | 71,288 |

ASKS STATE AID

Administrator Andrews Outlines Program for Cooperation in Enforcing Labor Law

The fifth National Conference on Labor Legislation was held in Washington on November 14, 15, and 16 with conferees from 43 States, the District of Columbia, Alaska, and Puerto Rico in attendance. During the three-day discussion of needed legislation, the form it should take, and the steps necessary to get it in operation, the delegates heard addresses by the Secretary of Labor, the Secretary of Agriculture, and the Administrator of the Wage and Hour Division, Elmer F. Andrews.

Mr. Andrews told the State labor officials that the Wage and Hour Division was looking forward "to the time when

each State will be equipped to take over all investigations and inspections in connection with the administration of the wage and hour provisions of the Fair Labor Standards Act," but he said that the Division cannot wait until that time comes before setting up a plan of cooperation between the Federal and State governments for the administration of the Act.

The immediate help and assistance of State labor officials was requested by Mr. Andrews in the following five point program:

(1) Reporting to the Wage and Hour Division on situations that appear to be in violation of the wage or hour provisions.

(2) Providing the Wage and Hour Division with lists of low paid industries and establishments in your State.

(3) Distributing to interested parties official rulings and interpretations which are sent out from the Washington office.

(4) Referring complaints to the Wage and Hour Division. Complaint forms will be furnished. In places where there are local representatives of the Wage and Hour Division complaints and requests for information would be referred to them, of course.

(5) Referring requests for interpretations of the Act to the Wage and Hour Division. Mr. Andrews stated during this difficult, formative period it would be most unwise to have interpretations made in the field either by the Division's own staff or by State labor departments.

WAGE-LAW HEARING

Dry-Bean Growers and Elevator Operators Ask Change in "Area of Production"

Representatives of dry-bean growers and elevator operators appeared before wage and hour officials on November 14 and 15 in support of a petition requesting an amendment of the Administrator's definition of the term "area of production" when applied to the hand picking and cleaning of beans in country elevators. The petition was filed by the Michigan Elevator Exchange.

The question before the hearing, as announced in the Wage and Hour Division's notice of the hearing, was:

"What, if any, amendment should be made of Section 536.2 of the regulations issued under the Fair Labor Standards Act of 1938 in respect to the limitation on the number of employees that may be employed in handling, storing, or preparing for market in their raw or natural state, navy, cranberry, kidney, or similar types of dry edible beans."

During the course of the hearing and on the suggestion of the chairman, the elevator operators were given permission to broaden their petition so that the question of distance as well as number of employees might be considered.

Section 13 (a) (10) of the Fair Labor Standards Act exempts from the wage and hour limitations of the law employees, within the "area of production", who are engaged in handling, packing, storing, drying, preparing in their raw or natural state, or canning agricultural or horticultural commodities for market.

The section of the regulation (Section 536.2) defining "area of production" in reference to Section 13 (a) (10)

of the Act limits the exemption (1) to employees engaged in such work on a farm and on commodities produced exclusively on the farm and (2) to employees in establishments not employing more than 7 workers who are working on commodities obtained in the immediate locality.

It will be seen that the present definition of "area of production" as effectively excludes from the benefit of the exemption all bean elevators, as it does all commercial canneries.

Testimony was submitted by the elevator operators stressing the fact that any wage increase would of necessity be forced back on the grower, that the employees were for the most part from farm families, that many of them have been employed for long periods of time, and that many of the women employees are too old for other work. Evidence was introduced relative to the number of elevators, their location in the producing areas, the size of the towns where located, the distance from the farms to the elevators, the number of employees employed on a seasonal and on a yearly basis, and the manner in which beans are purchased by the elevator operators.

Officials of the Wage and Hour Division questioned the witnesses on marketing conditions, on the manner in which the price to the grower is determined, the total overhead cost of operating a typical elevator, and the relation of the labor cost to the total cost.

Bean growers testified that the added picking cost would take the profit out of bean growing.

It is not expected that a decision on the petition will be made by the Wage and Hour Division for at least three weeks.

WAGE-HOUR LAW DEVELOPMENTS

Activities and Announcements of Officials During Past Week Summarized

It has been announced by the Wage and Hour Division that a hearing on exemptions for learners in the textile industry will be held on November 28. It is the first industry-wide request for permission to employ learners that has come before the Division.

In answer to inquiries from turkey growers and tobacco handlers concerning the status of certain employees under the Fair Labor Standards Act, officials have unofficially ruled that employees engaged in turkey picking are to be classified as handling, slaughtering, or dressing poultry and are automatically exempt under Section 7 (c) from the maximum hour provisions of the Act for 14 workweeks per year. The question of whether tobacco stemmers are exempt from the Act was answered by pointing out that any occupation performed by a farmer or on a farm incident to or in conjunction with farming operations is exempt (Section 3 (f)). It was ruled, however, that stemming operation "changes the tobacco from its natural form" and if it is not done on the farm it is an operation which brings the employees within the wording of the "area of production" exemption in Section 13 (a) (10) of the Act.

The Children's Bureau of the Department of Labor issued on November 12, Child Labor Regulation No. 7 designating

Minnesota, Nebraska, and South Dakota as States in which State age, employment, or working certificates or permits "shall have the same force and effect as Federal certificates of age under the Fair Labor Standards Act of 1938". The regulation will be effective for six months from October 24, 1938.

Appointments to Wage-Hour Administrative Staff

The staff of immediate administrative aids to Administrator Elmer F. Andrews of the Wage and Hour Division has been completed with the announcement of the following appointments:

Ralph J. Watkins, director of the Bureau of Business Research of the University of Pittsburgh, has been named assistant administrator in charge of the Wage and Hour Standards Branch of the Division. Mr. Watkins will supervise the work of assisting industry committees which are appointed to raise minimum wage rates, industry by industry, toward the 40 cents an hour goal set in the Fair Labor Standards Act.

Carroll R. Daugherty, former professor of economics at the University of Pittsburgh, has been appointed chief economist. Mr. Daugherty was a member of the Minimum Wage Board for the Laundry Industry of the State of Pennsylvania, serving as a public representative from February to June, 1938.

The appointment of Burton E. Oppenheim to the post of chief of the Industry Committees Section of the Division also was announced. Mr. Oppenheim was for many years in business in Baltimore and was executive of the Apparel Division of the N.R.A.

Stocks and Shipments of Canned Peas

The total stocks of canned peas in the hands of canners on November 1, according to figures compiled by the Association's Division of Statistics, amounted to 18,588,532 cases, as compared with 13,888,560 cases on the corresponding date last year. Shipments of canned peas during October totaled 1,724,038 cases, as compared with 1,654,425 cases in October last year. Shipments from June 1 to November 1, 1938, amounted to 11,460,632 cases, as against 11,732,669 cases in the corresponding period last year.

The following table shows the stocks on November 1 and the October shipments by regions:

| | Stocks on November 1 | | | Shipments in October Cases |
|------------------|------------------------|--------------|-------------|----------------------------|
| | Sold not shipped Cases | Unsold Cases | Total Cases | |
| N.Y. and Maine: | | | | |
| Alaska..... | 33,299 | 101,694 | 134,993 | 40,032 |
| Sweets..... | 356,578 | 1,197,857 | 1,554,435 | 216,768 |
| Middle Atlantic: | | | | |
| Alaska..... | 107,993 | 901,522 | 1,009,515 | 194,994 |
| Sweets..... | 19,474 | 330,291 | 349,765 | 8,421 |
| Mid-West: | | | | |
| Alaska..... | 757,180 | 4,850,808 | 5,607,988 | 574,627 |
| Sweets..... | 958,527 | 4,145,718 | 5,104,245 | 343,880 |
| Western: | | | | |
| Alaska..... | 21,196 | 91,380 | 112,576 | 9,863 |
| Sweets..... | 1,826,734 | 2,888,281 | 4,715,015 | 335,453 |
| Total..... | 4,080,981 | 14,507,551 | 18,588,532 | 1,724,038 |

The foregoing figures are based on reports from 82 per cent of the canners packing canned peas in 1938, together with estimates for the 18 per cent not reporting.

Canned Corn Stocks and Shipments

The total amount of stocks of canned corn on November 1, 1938, including stocks sold and not yet shipped and stocks unsold, was 19,953,472 cases, according to figures compiled by the Association's Division of Statistics. This compares with 21,414,301 cases of corn in canners' hands on October 1, 1938, and 16,052,827 cases of stocks on November 1, 1937.

Shipments during October, 1938, amounted to 1,460,829 cases, and during October, 1937, were 3,401,305 cases. When comparing shipments out of canners' hands for this year, with shipments for the corresponding period in 1937, it should be kept in mind that a portion of the early shipments usually are made in future contracts. This year when there were few future contracts, it would be expected that the early shipments would be relatively smaller than for 1937, and that distributors' holdings would show smaller accumulation of stocks in 1938 than in 1937. However, a recent report issued by the Department of Commerce indicates that distributors' stocks of corn increased about three times as fast during the period July 1 to October 1, 1937, as during the corresponding period in 1938.

Figures in the following table compare amounts of stocks of canned corn on certain dates, and shipments of corn during certain periods, in 1937 and 1938:

| Stocks: | Cases |
|--|------------|
| November 1, 1938..... | 19,953,472 |
| October 1, 1938..... | 21,414,301 |
| November 1, 1937..... | 16,052,827 |
| Shipments: | |
| During October, 1938..... | 1,460,829 |
| During October, 1937..... | 3,401,305 |
| August 1, 1938, to November 1, 1938..... | 5,702,778 |
| August 1, 1937, to November 1, 1937..... | 9,047,964 |

The following table gives figures on amount of sold and unsold stocks of corn in canners' hands on November 1, 1938, for sections by varieties:

| Variety | Eastern States Cases | Western States Cases |
|------------------------|----------------------|----------------------|
| | Cases | Cases |
| Cream style: | | |
| Evergreen..... | 1,293,846 | 1,770,327 |
| Narrow Grain..... | 679,648 | 730,513 |
| Country Gentleman..... | 280,452 | 2,474,319 |
| Crosby..... | 130,931 | 101,258 |
| Bantam, Yellow..... | 2,962,310 | 3,904,343 |
| Total..... | 5,347,187 | 8,980,760 |
| Whole grain: | | |
| Bantam, Yellow..... | 969,567 | 3,619,602 |
| White..... | 517,217 | 519,139 |
| Total..... | 1,486,784 | 4,138,741 |
| Grand total..... | 6,833,971 | 13,119,501 |

New York Groups Hear About Canned Foods

Under the auspices of the Buffalo Home Bureau, Miss Atwater of the Association's Home Economics Division spoke this week before a group of housewives in Buffalo. She also

talked over the radio under the sponsorship of the director of home service of the Buffalo Niagara Electric Company, and was a guest speaker at a joint dinner meeting of the Buffalo Home Economics and Dietetic Associations. Two assembly talks also were given to the students of the Girls' Vocational High School.

From Buffalo, Miss Atwater will go to Cornell University where she will spend two days next week having conferences with members of the home economics staff, speaking to home economics student groups at the university, and having conferences with the extension leaders of New York State.

Fruit and Vegetable Market Competition

Carlot Shipments as Reported by the Bureau of Agricultural Economics, Department of Agriculture

| | Week ending— | | | Season total to— | |
|-------------------------------|--------------|--------------|-------------|------------------|--------------|
| | Nov. 12 1937 | Nov. 12 1938 | Nov. 5 1938 | Nov. 12 1937 | Nov. 12 1938 |
| VEGETABLES | | | | | |
| Beans, snap and lima | 187 | 168 | 99 | 8,601 | 8,534 |
| Tomatoes | 12 | 23 | 314 | 23,930 | 34,688 |
| Green peas | 102 | 74 | 79 | 7,358 | 6,371 |
| Spinach | 81 | 53 | 13 | 6,994 | 8,389 |
| Others: | | | | | |
| Domestic, competing directly | 2,589 | 2,199 | 2,327 | 148,940 | 140,639 |
| Imports, competing indirectly | 81 | 76 | 69 | 227 | 780 |
| FRUITS | | | | | |
| Citrus, domestic | 2,007 | 2,650 | 2,777 | 12,768 | 14,143 |
| Imports | 9 | 0 | 0 | 101 | 77 |
| Others, domestic | 2,546 | 1,785 | 2,098 | 46,707 | 52,346 |

Community Cold Storage Plants Total 1,300

Community cold-storage plants where families may preserve meats and vegetables now total about 1,300 in 33 States, according to figures compiled by the U. S. Department of Agriculture. Iowa had 305 units, the largest number in any State. A survey of 75 of the locker plants in 13 States showed that they have from 79 to 1,200 individual lockers, with an average of 362 per plant. Seventy-four per cent of the lockers were rented, although plant managers reported more nearly capacity business in the winter. Rentals drop during fall and late summer.

FSCC to Buy Western Winter Pears

Authority to buy surplus quantities of fresh winter pears, mostly in Pacific States, was granted the Federal Surplus Commodities Corporation this week.

FSCC Purchases in Five Weeks Total \$5,105,000

Surplus agricultural products costing about \$5,105,000 were bought by the Federal Surplus Commodities Corporation in 24 States during the five weeks ending November 2. Total purchases by the Corporation from July 1 through the same date, amount to approximately \$17,981,000.

The purchases included more than 547,000 bushels of apples bought in the New England area swept by the hurri-

cane early in September. A surplus purchase program was inaugurated to salvage a part of the storm damage crop.

Other purchases during the five-week period included: 1,407,000 bushels of fresh vegetables; 227,000 boxes of oranges; 297,600 bushels of white potatoes; 342,000 bushels of sweet potatoes; 7,576,000 pounds of dried peaches; 297,677 cases of canned grapefruit juice; 5,281 bunches of celery; 16,877,000 pounds of butter; and 2,947,000 quarts of fluid milk.

Bacterial Wilt of Sweet Corn in 1938

Bacterial wilt of sweet corn did not develop in 1938 to the extent that the unusually abundant population of flea beetles early in the season made probable, according to an article in the November 1, 1938, issue of the Plant Disease Reporter. The corn flea beetle has been identified as the principal agency in disseminating the bacterial wilt organism in the field during the growing season.

Corn flea beetles were apparently more abundant early in 1938 at the Arlington county, Virginia, farm of the Department of Agriculture, than at any time during the past three or four seasons, but by the latter part of July there was a noticeable decrease in numbers, and by the middle of August very few were observed on corn. Crop conditions for these three years, aside from wilt, were similar and favorable for sweet corn development.

A similar situation with regard to wilt and numbers of beetles apparently developed in other Northeastern States.

The large numbers of flea beetles early in the season and abundant wilt infections on early plantings indicated a season of heavy wilt infection, but the disease was sufficiently checked about the middle of the season so that more marketable ears were harvested from susceptible varieties at the Arlington farm than in 1937, but considerably less than in 1936 when early infection was light.

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